



DEFENSE LOGISTICS AGENCY
THE DEFENSE CONTRACT MANAGEMENT COMMAND
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IN REPLY
REFER TO

AQBD

AUG 20 1997

MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT DISTRICTS

SUBJECT: DCMC Memorandum No. 97-034, Transfer of Full Time
Equivalents (FTEs) as a Result of Privatization
(INFORMATION)

This is an INFORMATION memorandum. It expires upon issuance of a DCMC Policy Memorandum. Target Audience: Director, District Operations Office; Director, District Planning and Resource Management Office; CAO Commanders; and Customer Liaisons.

The purpose of this memorandum is to provide additional information regarding Program Decision Memorandum (PDM) II and the additional FTEs for privatization. PDM II added 314 FTEs to DCMC's budget through FY 03; however, only 49 of the 314 FTEs are available to support workload resulting from privatization. In addition the 49 FTEs are provided for privatization work at Indianapolis, Louisville, and Newark. PDM II did not provide additional FTEs for privatization workload in the outyears. Specifically, no FTEs were identified to support privatization at Sacramento Air Logistics Center, San Antonio Air Logistics Center or any other site.

Districts and CAOs entering into discussions for the administration of contracts at privatized depots must understand that additional FTEs and funding for this new workload are not contained in DCMC's budget. The Military Services will be asked to transfer FTEs and funding to support any new privatization work. Districts shall submit both FTE and funding requirements during their business plan/budget negotiations to insure they are addressed by HQ DCMC and the DLA Office of the Comptroller (FO) as functional transfers or Program Budget Decisions (PBDs) during the budget process.

A policy memorandum regarding the process of negotiation and acceptance of privatization workload will be issued by the Directorate of Operational Assessment and Programming (AOB). In

the interim, CAOs having discussions with the Military Services regarding privatization shall keep their District Operations, and Planning and Resource Management Directorates informed. District Resource Management Offices are responsible for notifying AQB of all current and future efforts regarding privatization.

Ms. Alyce Sullivan, AQBA, is the AQB representative, and may be contacted at (703) 767-2433 or DSN 427-2433, Internet address: alyce_sullivan@hq.dla.mil. Ms. Sullivan and the DLA-FO point of contact will coordinate with the comptrollers of the Military Services to arrange for the transfer.



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